

**RESOLUTION NO. 75430**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE ADOPTING WHOLESALE RECYCLED WATER RATES FOR THE SOUTH BAY WATER RECYCLING PROGRAM EFFECTIVE JULY 1, 2010**

**WHEREAS**, the City of San José is the administering agency for the San José/Santa Clara Water Pollution Control Plant (WPCP) and has agreements with water retailers to provide wholesale recycled water service through the South Bay Water Recycling Program (SBWR) which stipulates that the SBWR wholesale recycled water shall provide an economic incentive to recycled water customers and shall be identified in a rate schedule to be established by the City Council of the City of San José; and

**WHEREAS**, on March 4, 1997, the City Council of the City of San José adopted Resolution No. 67182 setting a basic wholesale recycled water rate of \$240/acre-foot and economic incentives (wholesale discounts) of \$60 and \$240/acre-foot respectively for recycled water used for landscape and agricultural/industrial use; and

**WHEREAS**, on June 14, 2004, the City Council of the City of San José adopted Resolution No. 72167 revising the wholesale recycled water rate to be indexed to the price of untreated water as approved by the Santa Clara Valley Water District (SCVWD) after July 1, 2004 and to adjust the wholesale discounts; and

**WHEREAS**, on June 17, 2008, the City Council of the City of San José adopted Resolution No. 74448 reducing the wholesale discounts; and

**WHEREAS**, the current wholesale discount for agricultural and industrial users can be reduced in view of the growing acceptance of recycled water use and in order to bring revenue from the sale of recycled water closer to the service delivery costs;

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:**

1. The basic wholesale price shall continue to automatically increase by the same dollar amount as any increase in the price of untreated water approved by the Santa Clara Valley Water District (SCVWD) after July 1, 2004; and

2. Effective July 1, 2010, a discount of \$105/acre-foot shall apply to the basic price for any water delivered by a water retailer for landscape irrigation use, provided that the water retailer taking delivery of the recycled water has an established discounted retail rate for recycled water for landscape irrigation, to provide an incentive to customers to purchase and use recycled water in lieu of potable water for landscape irrigation.

3. Effective July 1, 2010, a discount of \$325 per acre-foot shall apply to the basic price for any water delivered by a water retailer to agricultural and industrial users, provided that the water retailer taking delivery of the recycled water has an established discounted retail rate for recycled water for such users, to provide an incentive to customers to purchase and use recycled water in lieu of potable water for such uses.

ADOPTED this 15<sup>th</sup> day of June, 2010, by the following vote:

AYES: CAMPOS, CHIRCO, CHU, CONSTANT, HERRERA, KALRA, LICCARDO, NGUYEN, OLIVERIO, PYLE; REED.

NOES: NONE.

ABSENT: NONE.

DISQUALIFIED: NONE.



CHUCK REED  
Mayor

ATTEST:



LEE PRICE, MMC  
City Clerk